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 INFORMATION FROM
 FOREIGN DOCUMENTS OR RADIO BROADCASTS CD NO.

50X1-HUM

COUNTRY Bulgaria
 SUBJECT Economic - Agriculture, banking
 HOW PUBLISHED Monthly periodical
 WHERE PUBLISHED Sofia
 DATE PUBLISHED 1947/1948
 LANGUAGE Bulgarian

DATE OF INFORMATION 1947/1948
 DATE DIST. 21 Apr 1950
 NO. OF PAGES 3
 SUPPLEMENT TO REPORT NO.

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SOURCE Kredit i Stopanstvo, No 1, 1947/1948.

THE BULGARIAN AGRICULTURAL AND COOPERATIVE BANK

In August 1947, the board of the Bulgarian Agricultural and Cooperative Bank approved the proposal of the Bulgarian Agriculture Cooperative Association to merge its operations with the Central Economic Branch of the bank, henceforth, the latter will conduct all the operations of the association for its own account.

To convey an accurate idea of the new organization, it is best to analyze the previous activities of the Bulgarian Agricultural and Cooperative Bank.

According to the 1946 bank report, its two main activities were: (1) supply, and (2) execution of economic directives issued by the state.

One of the most important features of the former was the postwar supply of agricultural machinery and equipment received from Czechoslovakia at a cost of 391 million leva. Simultaneously, an agreement was reached with that country for the supply of metalworking machines (planers, and shaping, milling, and grinding machinery) for a total sum of 36 million leva; this machinery was indispensable for machine-tractor stations. Furthermore, in view of the growing industrialization of the country, the bank directed a number of Bulgarian state and private machine-building enterprises to produce and deliver agricultural machinery totaling 39 million leva. From these various sources the bank furnished farmers with agricultural machinery valued at about 184 million leva.

The bank also provided 5 million kilograms of bluestone (copper sulfate) for viniculture, 4 million tons [sic] of which were distributed and the rest kept as a warehouse reserve for the following year.

Socialized canning factories were supplied by the bank with tin, packing material, cutting and sealing machines, etc. Furthermore, the bank supplied, on various occasions, footwear, copper, jute sacking, caustic soda, medicines, sheet iron and iron casks, manila hemp, lampblack for the rubber industry, and other materials, at a cost of 600 million leva.

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One of the most important bank functions consists of the execution of government provisions. It includes the delivery of fuel and lubricants to agricultural enterprises (petroleum, gasoline, benzene, and machine oils). In 1946, the bank was provided with 18,500 tons of these materials, of which 18,000 were actually distributed.

In connection with the decree to increase the production of potatoes and other crops, the bank in 1946 purchased the entire domestic potato crop and distributed it according to the instructions of the Ministry of Agriculture and State Properties. Hence, the bank purchased over one million kilograms of potatoes in 1946, and over 58,000 kilograms of alfalfa seed and fodder beets. At the same time, the bank took charge of the production and export of the domestic lettuce-seed crop; the bank has now exported 23,000 kilograms of this commodity to the USSR and 260,000 kilograms to England.

Putting into effect the decree on sericulture, the bank purchased and allocated white and yellow mulberry seed to the amount of 31 million leva, and silk cocoons to the amount of 434 million leva.

Another responsibility of the bank, assigned by law, is to reorganize the production and sale of solidified and pure rose oil. The bank is in charge of promoting and stabilizing rose culture and supplying the domestic and foreign perfume industry with rose oil of guaranteed high quality, acting in its capacity as a monopoly organization established by the state. In this capacity, in 1946 the bank purchased for 130 million leva 2,713,000 kilograms of roses, from which 795 kilograms of rose oil were distilled.

The entire domestic peppermint- and lavender-oil production was also purchased by the bank.

Likewise in 1946, by virtue of the law regulating the purchase of the 1945 tobacco crop, the bank and the cooperatives purchased and handled on behalf of the state the entire 1945 tobacco crop, amounting to 26,092,324 kilograms. According to the law on tobacco monopoly, the 1947 crop will be handled by a special organization.

All the above-mentioned projects were conducted by the Central Economic Branch of the bank, which is the agency destined to take over the activities of the Bulgarian Agricultural Cooperative Association. The latter had previously been engaged in the following work:

In view of the tendency of the Bulgarian economy to develop on a self-supporting basis, and of the difficulties of international trade, the association made a first attempt at the domestic production of plant-preserving chemicals, such as Paris green insecticide, copper carbonate, lead and calcium arsenates, etc. Thus, a new industry is being created, thereby saving foreign currency and promoting independence of foreign markets.

The association has also encouraged the production of small agricultural equipment, in great demand on the market. It produced plowshares, parts for winnowing and corn-cutting machines, incubators, etc.

Furthermore, the association was instrumental in purchasing vegetable and flower seed from domestic seed-growing centers. During 1946, the association collected about 50 tons of alfalfa seed, which was sorted and transferred to the Bulgarian Agricultural and Cooperative Bank, and to the Ministry of Agriculture and State Properties. The project had been combined with extensive educational propaganda among the farmers.

The association has also performed noteworthy work in sponsoring and promoting the progress of farm workers' cooperatives, supplying them with artificial fertilizer, seed, free vegetable seedlings, and equipment for temporary use.

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All the above-mentioned activities, jointly with those pursued by the Central Economic Branch, are now being merged in the Central Economic Branch of the Bulgarian Agricultural and Cooperative Bank. Regional branches will be established in the following cities: Sofia, Plovdiv, Stara Zagora, Yambol, Gorna-Oryakhovitsa, Shumen /changed to Kolarov/, Pleven, Vidin, Ruse, and Dupnitsa /changed to Marek/; in all these localities existing branches of the former Bulgarian Agricultural Cooperative Association are transferred to the bank.

The new Sofia Central Economic Branch of the bank represents a merger expected to have the most favorable effect on the further progress of Bulgarian agriculture, especially in its cooperative form.

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